GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5126
ANSWERED ON:26.04.2002
TPA SYSTEM FOR PREMIUM PROCUREMENT
T.M. SELVAGANAPATHI

Will the Minister of FINANCE be pleased to state:

a. whether the National Confederation of General Insurance Officers` Associations has cautioned Public Sector Insurance Companies against blindly adopting the Broker Third Party Administrator (TPA) system for premium procurement and claims administrations;

b. if so, the reaction of the Government in this regard;

c. whether the above associations have also urged the Government to promote bilateralism with formal recognition of the bargaining agent, viz. associations of employees with the majority membership; and

d. if so, the steps taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) & (b) : Yes, Sir. Insurance Regulatory and Development Authority (IRDA), which is responsible for regulating, promoting and ensuring orderly growth of the insurance business, has issued IRDA (Third Party Administrators - Health Services) Regulations, 2001 on 17.09.2001 after seeking the views of stake-holders and the advice of the Insurance Advisory Committee constituted under the provision of the Insurance Regulatory and Development Authority Act, 1999. Third Party Administrators (TPA) will only administer medical claims and have no role in procuring business.

(c) & (d) : General Insurers` (Public Sector) Association of India has informed that modalities has been worked out for introduction of check off system to ascertain the representative strength of different unions/ associations in each of the four public sector general insurance companies.